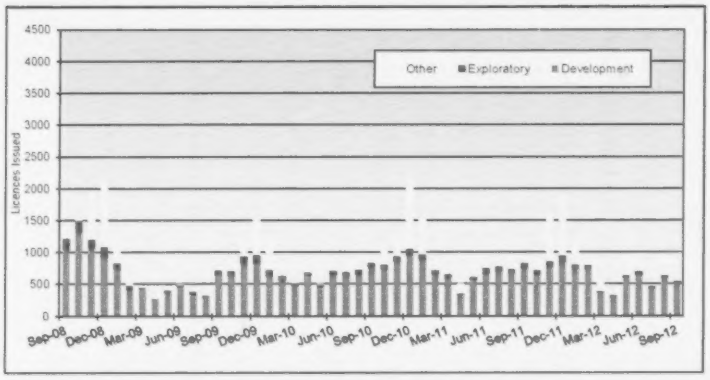
October 2012 Industry Activity Report

Monthly Well Licences



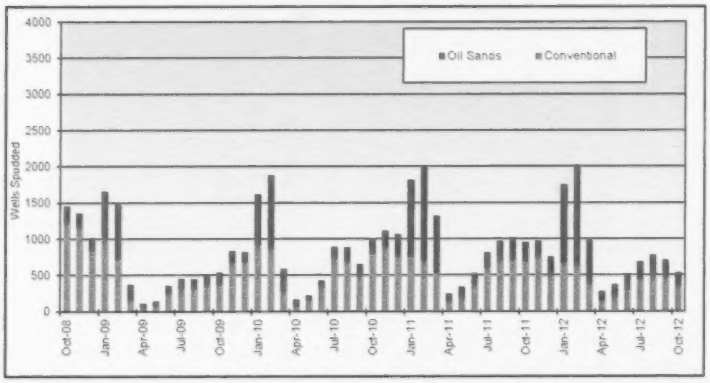
In September, 551 wells were licenced in Alberta, 34% lower than last September's count of 840.

New licence approvals for the first eight months of 2012 are 21% lower than the first eight months of 2011.

2012	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Development	733	727	359	287	593	635	431	583	498				4846
Exploration	77	77	36	26	27	52	44	58	51				448
NPW	41	32	15	6	12	16	18	16	14				172
NFW	1	1	1			2			3				8
DPT	12	14	8	14	5	21	10	19	12				115
Outpost	23	30	12	4	10	13	16	23	22				153
Exper. & Eval. Licences	400	78	119				3	2	2				604
Total	1210	882	514	313	620	687	478	643	551				5898

Source: Energy Resources Conservation Board

Alberta Wells Spudded (estimates)



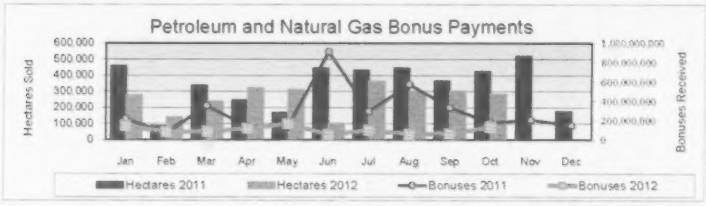
There were 535 spuds in October, 44% lower than the 953 spuds in October 2011.

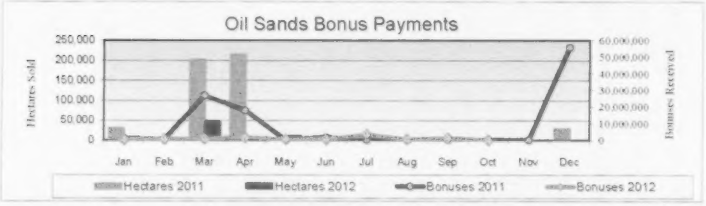
The number of spuds to the end of October was 8,603, down 14% from this period last year

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2008	Conventional	1393	1498	562	91	181	680	1104	1040	992	1230	1143	831	10,745
	Oil Sands	1370	1865	810	70	44	170	192	174	185	220	215	181	5,496
2009	Conventional	1010	719	150	40	83	231	308	307	349	370	664	674	4,905
	Oil Sands	641	756	218	69	52	117	136	137	146	161	171	146	2,750
2010	Conventional	909	860	271	66	143	318	714	674	488	795	879	755	6,872
	Oil Sands	705	1018	321	97	73	103	177	204	163	210	233	310	3,614
2011	Conventional	746	688	529	122	181	366	594	697	705	684	734	487	6,533
	Oil Sands	1066	1313	789	119	153	159	218	267	313	269	237	266	5,169
2012	Conventional	666	618	379	147	178	286	440	489	460	333			3,996
	Oil Sands	1086	1398	598	129	190	230	242	286	246	202			4,607

Source: Energy Resources Conservation Board

Petroleum & Natural Gas & Oil Sands Land Sales





October land sales totalled $131 million with an average price of $460.36/hectare.

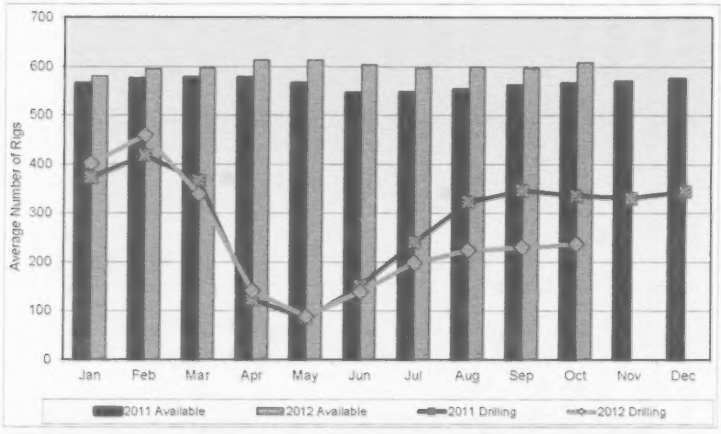
After 16 land sales in 2012, the $1 billion collected ($368.26/hectare), decreased 69% from this period in 2011 when total revenue was $3.2 billion ($832.79/hectare).

Petroleum and Natural Gas Rights	Oct-12	Oct-11	YTD 2012	YTD 2011
Bonuses	$130,950,006.56	$176,664,384.17	$993,899,342.73	$3,186,396,666.16
Hectares	284373.84	426533.84	2648339.24	3416711.87
Average Price per Hectare (Cdn$)	$460.49	$414.19	$375.29	$932.59

Oil Sands Rights	Oct-12	Oct-11	YTD 2012	YTD 2011
Bonuses	$81,400.32	$221,399.00	$9,831,209.92	$48,986,069.45
Hectares	256.00	583.60	77298.84	468270.65
Average Price per Hectare (Cdn$)	$317.97	$379.37	$127.18	$104.61

Source: Alberta Department Energy

Alberta Rig Activity


Average Number of Rigs
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
2011 Available
2012 Available
2011 Drilling
2012 Drilling

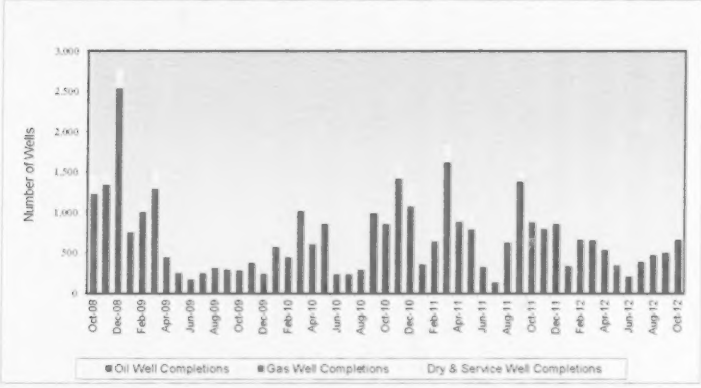
In October, Alberta utilized 39% of the 609 available rigs. October 2011 saw 59% of the 564 available rigs working.

With about 600 rigs available, the average fleet utilization for the 10-month period was 41%. For this period in 2011, an average of 562 rigs were available for drilling with 49% of them at work

October	Drilling	Down	Available	Rig Util. Oct-12	Rig Util. Oct-11
Alberta	236	372	609	39%	59%
Saskatchewan	74	66	140	53%	64%
British Columbia	31	21	52	60%	61%
Northwest Territories					
Manitoba	14	11	25	56%	86%
Canada	355	470	825	43%	61%

Source: Canadian Association of Oilwell Drilling Contractors

Alberta Well Completions



Well completions in October totalled 692, down 24% from last October when there were 904 completions reported.

So far, reported completions total 5,473, down 38% from the 8,835 completions reported last year. To-date, oil completions are down 17% from 2011 while gas completions are down 68%.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2008	Oil Wells	270	158	263	309	174	68	176	262	414	297	272	613	3,276
	Gas Wells	1370	610	952	897	322	202	554	372	1084	937	1075	1929	10,304
	Dry & Service	99	54	175	196	223	83	111	70	200	241	136	247	1,835
2009	Oil Wells	156	116	321	111	71	36	79	101	146	132	169	121	1,559
	Gas Wells	606	899	979	342	187	143	178	217	155	160	212	127	4,205
	Dry & Service	96	120	230	73	81	42	49	61	54	35	63	35	939
2010	Oil Wells	253	144	397	198	400	126	131	168	357	402	999	676	4,251
	Gas Wells	324	308	632	418	462	117	110	135	638	461	847	403	4,855
	Dry & Service	62	79	141	6	51	41	26	43	59	46	169	294	1,017
2011	Oil Wells	226	353	650	419	602	209	105	451	1030	626	559	568	5,798
	Gas Wells	145	294	974	472	196	124	43	183	356	259	243	299	3,588
	Dry & Service	42	127	222	112	160	100	97	94	145	19	32	73	1,223
2012	Oil Wells	215	489	516	405	296	205	348	380	447	588			3,889
	Gas Wells	131	181	146	141	62	12	46	98	65	81			963
	Dry & Service	35	48	55	126	128	37	94	63	12	23			621

Source: Daily Oil Bulletin, Nickle's Energy, Information, and Technology
For further information, visit www.nickles.com